#### <u>REMARKS</u>

Claims 1-12, 16-18, and 24 are currently pending in this application.

### Response

The Examiner's comments in the "Response" section of the Office Action are not understood.

## Claim Rejections Under 35 U.S.C. §102

Claims 1-5, 8-9, 16-18, and 24 were rejected under 35 U.S.C. §102(e) as being anticipated by Smith (U.S. Patent No. 5,860,362). Claims 1, 7, and 12 were rejected under 35 U.S.C. §102(e) as being anticipated by Vallaire (U.S. Patent No. 5,971,273).

In contrast to the invention as claimed herein in the independent claims 1, 16, and 24, Smith is directed to a vending machine (2) having electronic control means (34) as one of its components. As shown in Figs. 1 and 2 and described throughout the specification, it is clear that the processor is in the vending machine, and consequently all control functions are carried out at the vending machine. However, the "computer system" of the present invention is specifically not a component of the vending device, but a remotely located processor. Indeed, this is explicitly stated at page 3, line 21, "Further 'computer system' does not include an arrangement where the vending device and computer system are one and the same e.g. a stand along vending device which is controlled by a processor in the same housing".

As in Smith, the processor described in Vallaire is on the vending device. Indeed, claim 1 of Vallaire describes, "An order taking control unit <u>physically associated with</u> said cooler for automated vending.

# Claim Rejections Under 35 U.S.C. §103

Claims 10-11 were rejected under 35 U.S.C. §103(a) as being unpatentable over Smith in view of Bernard et al. (U.S. Patent No. 5,918,213). Claim 6 was rejected under 35 U.S.C. §103(a) as being unpatentable over Smith in view of Krechmer et al. (U.S. Patent No. 3,634,656) Since these claims depend directly or indirectly from independent claims, it is submitted that they are patentable in view of the patentability of the independent claims as set forth above.

## **Dependent Claims**

In view of the patentability of the underlying independent claims over Smith and Vallaire as set forth above, it is submitted that the claims depending therefrom are likewise patentable.

### **CONCLUSION**

It is submitted in view of the above that there is no teaching or suggestion of applicant's invention as claimed in the claims submitted herewith, within the scope of the disclosure of the cited references, without extensive modification and the exercise of inventive talent.

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In light of the above amendments and remarks, applicant submits that the application is in condition for allowance, and requests that it be passed to issue. If there are any issues which can be discussed in a telephone interview, the Examiner is requested to contact applicant's attorney at (310) 242-2732.

Respectfully submitted,

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